

1 CHAIRPERSON JAMES: I'd like to ask Doctor John
2 Shosky now, the Commission's senior report writer, to join us.
3 Doctor Shosky prepared the background paper on youth and
4 adolescent gambling that I hope you have all had a chance to read
5 and he'll provide us with an overview of that topic this morning
6 before we move into our panel.

7 Good morning, Doctor Shosky, welcome.

8 DR. SHOSKY: Thank you, Madam Chair, good morning.
9 There are a significant number of underage gamblers. A recent
10 study found that almost 17,000 students in Vermont, of those
11 17,000, 53 percent reported gambling in the last 12 months.

12 In a survey of almost 900 students from four New
13 Jersey High Schools, LeSeur and Klein (ph) reported that 91
14 percent of students had gambled at least once and 86 percent had
15 gambled in the last year.

16 Ladaseur and Morreau (ph) have found in a study of
17 more than 1600 Quebec high school students that 76 percent had
18 gambled and 24 percent had gambled at least weekly in the past
19 year. Our Korean colleagues found that 64 percent of 1120
20 students in Atlantic City, New Jersey had gambled in a casino and
21 nine percent gambled at least weekly.

22 One interesting result of the study is that proximity
23 to legalized gambling is an important factor. This study found
24 that college students in New York, New Jersey and Nevada had a
25 higher rate of gambling than did students in Texas and Oklahoma.
26 There's also an issue that some researchers have studied
27 concerning pathological gambling. For example, LeSeur and Klein

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1 found that six percent of students surveyed could be classified
2 as problem gamblers.

3 The Ladaseur and Morreau study found that figure was
4 between one and two percent. Harvard's Howard Schaffer has found
5 that the rate of problem gambling among adolescents was 9.4
6 percent. Recently the New York Council on Problem Gambling found
7 that at least 40,000 children or 2.4 percent under 18 have become
8 severely addicted to gambling with thousands more, perhaps
9 another 14 percent judged at risk of developing gambling
10 problems.

11 Several studies have shown that pathological gambling
12 is associated with alcohol and drug use, truancy, low grades,
13 problematic gambling in parents and illegal activities to finance
14 gambling. Pearl Ness (ph) and her colleagues have found that
15 gambling behavior was significantly associated with risk
16 behavior.

17 For example, gambling was associated with multiple
18 drug and alcohol use. For 28 percent of those surveyed, gambling
19 was also associated with carrying a weapon at least once in the
20 past 30 days and for those who reported a problem with gambling,
21 the figure rose to 47 percent.

22 While nearly one-fourth of non-gambling students
23 reported having fought in the last 30 days, that figure rose to
24 45 percent for those who reported gambling and 62 percent for
25 those who reported problems attributable to gambling. In
26 addition the researchers worried about under-reporting. Their
27 frequencies might not reflect their true prevalence.

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1 Betty George, who is with us today, has argued that
2 gambling is attractive to young people because it is culturally
3 popular and surrounded by images of instantaneous wealth, power,
4 status and freedom. It also is an answer for some of them at
5 least to address problems at home, low self-esteem, the need for
6 a positive role model and avoidance of pain and grief.

7 Bataro (ph) and his colleagues also suggest that
8 impulsivity is a factor with high problem gamblers having the
9 highest scores in lack of impulse control. Others claim that
10 adolescents receive a mixed message in states where some forms of
11 gambling are legal. There are charges by researchers that the
12 gambling industry lures young gamblers.

13 There's a very detailed analysis of studies by
14 Stinchfield and Winters and because Stinchfield is here today,
15 I'll leave that part of my presentation to him and I will proceed
16 to a discussion of programs and initiatives.

17 However, I do recommend the Stinchfield findings
18 because it's the one study that we were able to uncover that was
19 a good broad overview of all of the studies to date and the nine
20 results that he points out, I believe, are significant.

21 Concerning programs and initiatives, there have been
22 a variety of initiatives to address youth gambling. In Great
23 Britain, for example, Parents of Young Gamblers, which is a
24 program, it's a support organization, has been developed to
25 directly meet the needs of very young pathological gamblers and
26 their families. Griffis (ph) has observed that such an approach
27 allows for relaxation training, avoidance of gambling
28 opportunities, and family and peer support, including supervision

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1 of the young person's money. These seem to be promising useful
2 interventions for young pathological gamblers.

3 For example, the North American Think Tank on Youth
4 Gambling Issues was convened at Harvard Medical School on April
5 the 6th and continued through the 8th, 1995 to conduct a public
6 dialogue on youth gambling. A blueprint emerged for policy
7 development, funding and law enforcement recommendations. That
8 blueprint was in the briefing material that was sent to the
9 Commissioners.

10 Another landmark conference was held in St. Paul,
11 Minnesota on May 8th and 9th, 1997 to develop a blueprint for the
12 management of compulsive gambling. These conferences, which
13 featured representation from industry, government, academia, and
14 advocates illustrate the power of joint discussion on this issue.

15 There have also been several creative outreach
16 initiatives. For example, given the concern about gambling
17 within America's Southeast Asian community, the United Cambodian
18 Association of Minnesota, Lao Family Community of Minnesota and
19 the Minnesota Institute of Public Health developed a prevention
20 education program to inform young Southeast Asians about the
21 hazards of adolescent gambling and to help create personal
22 guidelines for choosing to gamble or not to gamble.

23 The Minnesota Institute of Public Health also
24 supported creation of a similar booklet for the general
25 population. In addition, the Minnesota Council on compulsive
26 gambling has prepared a pamphlet and a program entitled, "Want to
27 Bet," which is a package containing a booklet, looseleaf papers
28 and a video each targeted to teenage gambling. The goal is to

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1 enhance critical thinking and to help identify compulsive
2 behaviors.

3 State governments may also develop services and
4 activities to address the problem of adolescent gambling. For
5 instance, Volberg (ph) has suggested that a state in cooperation
6 with community based agencies, the gambling industry, academia
7 and others may wish to fund programs targeting at-risk
8 adolescents and adults. The state could also develop public
9 education and prevention services and implement educational
10 curricula in conjunction with state education departments.

11 In addition the New York Council on Problem Gambling
12 convened an education think tank in November 1997 to develop a
13 prevention, education model. Volberg also suggests that state
14 funding for treatment services for adolescent gamblers and family
15 members through existing state funded problem gambling providers
16 could be helpful.

17 There has also been an industry response and it's
18 been significant. There have been new programs, such as the
19 Nevada Retail Gaming Association's program to post stickers on
20 slot and video poker games and their work to distribute
21 literature from the Nevada Council on Problem Gambling. There
22 are many industry actions that can contribute to keep adolescents
23 out of casinos like this program. For instance, the gaming
24 industry has funded conferences, research and programs designed
25 to combat adolescent gambling and the industry is also working on
26 other fronts.

27 For example, many casino companies have created
28 programs to combat underage gambling such as Harrah's Project 21

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1 in Atlantic City. This initiative attempts to educate employees,
2 minors and their parents or guardians and the community at large
3 that gambling under the age of 21 is against the law.

4 One key facet of the program is the training of all
5 of Harrah's employees to identify minors in the casino. To
6 raise community awareness, this project, Project 21, supports a
7 scholarship program which rewards students whose articles or
8 posters best deter underage gambling. Other casinos might
9 emulate that program.

10 Implementation steps on how that might happen are in
11 a publication by the American Gaming Association entitled
12 "Responsible Gaming Resource Guide." The AGA and member
13 companies also have a public policy of zero tolerance for guests
14 who fail to take responsibility for their children.

15 AGA members have publicly stated that they're
16 committed to helping parents by posting local curfew times,
17 informing guests with minors of those laws, training employees to
18 handle abandoned children, tasking security personnel to remain
19 with an abandoned child while the parents are located and to
20 contact the police or Department of Youth Services if a child is
21 abandoned. These guidelines were developed in partnership with
22 the National Center for Missing and Exploited Children.

23 In fact, in 1997 both Donald Trump and Frank
24 Fahrenkopf spoke on the ABC program 20/20 of the need for
25 security agents to identify abandoned adolescents in the casinos
26 and to reunite them with absent parents who are on the premises.
27 Mr. Fahrenkopf even suggested that security guards should be
28 proactive, assisting children to leave the premises for their

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1 hotel rooms, to do everything possible to get them out of the
2 casinos.

3 As well, some casinos have employed high technology
4 to keep adolescents out of legal gaming establishments. All
5 three New Orleans area casino boats now have scanners that read
6 the magnetic strip on the back of a driver's license. This
7 offers a more accurate and fast way to determine the age on the
8 card and the device can detect certain types of card tampering.
9 However, there are privacy concerns that have been raised. Of
10 course, law enforcement efforts such as administrative citations,
11 fines, closures, or license revocation could also help to curb
12 illegal gambling by adolescents.

13 In conclusion, Madam Chair, adolescent gambling is
14 pervasive. It is associated with problem gambling in adults and
15 with risky behavior in adolescents. Public health organizations,
16 parents, gambling treatment organizations, advocacy groups,
17 public health officials, law enforcement agents and industry
18 representatives have all publicly stated that adolescent gambling
19 is not in the best interests of young people or of the gaming
20 industry itself. This is an area of considerable common ground
21 which can be used to tackle tougher issues of later problem and
22 pathological gambling which is correlated in some studies with
23 adolescent gambling.

24 Targeted programs may prevent illegal gambling from
25 occurring and can identify young problem gamblers.

26 CHAIRPERSON JAMES: Thank you, Doctor Shosky.
27 Commissioners, any questions, comments? Commissioner Bible.

28 MR. BIBLE: One question, John.

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1 DR. SHOSKY: Yes, sir.

2 MR. BIBLE: As you reviewed the literature, you're
3 talking about conduct that is 100 percent illegal in the first
4 study you mentioned up in Vermont where it is illegal for
5 adolescents or minors to gamble. Is there any kind of
6 documentation or do your studies indicate how effective law
7 enforcement can be in the area of preventing adolescent gambling?

8 MR. SHOSKY: Well, the programs that we analyzed
9 which I must confess were few, indicated that when law
10 enforcement agencies attempt to work to solve the problem, for
11 example, Louisiana was a case in point that I do not cite in my
12 presentation but there has been much public comment about the law
13 enforcement efforts there, the claim at least is that it's
14 effective and the claim is being made both by the industry itself
15 and by the law enforcement officials. Outside verification,
16 independent verification, was not something that I could find.
17 However, I'd be more than happy to look through the literature
18 again and find any information to further substantiate that point
19 if you would like me to do that.

20 MR. BIBLE: I think that would be helpful. I'd be
21 interested in whether or not these individuals are being
22 processed through the judicial system (inaudible).

23 DR. SHOSKY: Yeah, at least in the case of Louisiana,
24 there were few prosecutions.

25 CHAIRPERSON JAMES: Doctor Shosky, there was almost
26 an audible gasp in the room yesterday when it was pointed out
27 that in South Carolina children could play slot machines and

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1 video poker albeit, they couldn't collect the winnings. Have you
2 run across anything like that? Can you verify that?

3 DR. SHOSKY: I think you're about ready to hear at
4 least two people who will be discussing the enforcement, of that
5 type of behavior and what it can be correlated to in terms of
6 later illegal behavior.

7 CHAIRPERSON JAMES: But do we know if that is an
8 accurate statement, that in South Carolina, not only adolescents
9 but children can play slot machines?

10 DR. SHOSKY: It's my understanding that it is but
11 again, I would be more than happy to double- check that.

12 CHAIRPERSON JAMES: Could I ask you while this panel
13 is on to see if you could track down that information. It ought
14 to be a simple call to someone in South Carolina who could tell
15 us that.

16 DR. SHOSKY: I'd be delighted to find out.

17 CHAIRPERSON JAMES: Well, that's right, they are three
18 hours, so we'll give them a little more time.

19 DR. SHOSKY: I'd be delighted to find out.

20 CHAIRPERSON JAMES: Thank you. Any other questions,
21 Commissioners? With that, Doctor Shosky, I want to thank you for
22 your presentations both today and yesterday and for how they
23 contributed to shaping our debate and our discussion.

24 DR. SHOSKY: Thank you.

25 CHAIRPERSON JAMES: Thanks for all your hard work.

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